

period, the State agency shall use such information, to the extent possible, in making the eligibility determination.

(iv) For individuals who are recipients when the information is received or for whom a decision could not be made prior to authorization of benefits, the State agency shall within forty-five (45) days of its receipt, initiate a notice of case action or an entry in the case record that no case action is necessary, except that: Completion of action may be delayed beyond forty-five (45) days on no more than twenty (20) percent of the information items targeted for follow-up, if:

(A) The reason that the action cannot be completed within forty-five (45) days is the nonreceipt of requested third-party verification; and

(B) Action is completed promptly, when third party verification is received or at the next time eligibility is redetermined, whichever is earlier. If action is completed when eligibility is redetermined and third party verification has not been received, the State agency shall make its decision based on information provided by the recipient and any other information in its possession.

(v) The State agency shall use appropriate procedures to monitor the timeliness requirements specified in this subparagraph;

(2) Investigations to determine whether recipients received assistance under the State plan to which they were not entitled; and

(3) Criminal or civil prosecutions based on receipt of assistance under the State plan to which recipients were not entitled.

(b)(1) State agencies shall not take any adverse action to terminate, deny, suspend or reduce benefits to an applicant or recipient, based on information produced by a Federal computer matching program that is subject to the requirements in the Computer Matching and Privacy Protection Act (CMPPA) unless (i) The information has been independently verified in accordance with the independent verification requirements set out in the State agency's written agreement as required by §205.58 or (ii) The independent verification requirement has

been waived by the Department's Data Integrity Board.

(2) The CMPPA defines a matching program as any computerized comparison of (i) Two or more automated systems of records or a system of records with non-Federal records for the purpose of (A) Establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to, cash or in-kind assistance or payments under Federal benefit programs, or (B) Recouping payments or delinquent debts under such Federal benefit programs, or (ii) Two or more automated Federal personnel or payroll system of records or a system of Federal personnel or payroll record with non-Federal records.

(c) If the agency intends to reduce, suspend, terminate or deny benefits as a result of the actions taken pursuant to this section, the agency must provide notice and the opportunity for a fair hearing in accordance with §205.10(a).

[51 FR 7215, Feb. 28, 1986, as amended at 53 FR 52712, Dec. 29, 1988; 57 FR 53859, Nov. 13, 1992]

§205.57 Maintenance of a machine readable file; requests for income and eligibility information.

A State plan under title I, IV—A, X, XIV, or XVI (AABD) of the Social Security Act must provide that:

(a) The State agency will maintain a file which is machine readable, i.e., which is maintained in a fashion that permits automated processing, and which contains the first and last name and verified social security number of each person applying for or receiving assistance under the plan.

(b) The State agency will use this file to exchange data with other agencies pursuant to §205.55.

[51 FR 7216, Feb. 28, 1986]

§205.58 Income and eligibility information; specific agreements required between the State agency and the agency supplying the information.

(a) A State plan under title I, IV—A, X, XIV, or XVI (AABD) of the Social

§ 205.60

Security Act must provide that, in carrying out the requirements of §§ 205.55 and 205.56, the State agency will enter into specific written agreements as described in paragraph (b) of this section with those agencies providing income and eligibility information. Agreements with Federal agencies are subject to the approval by the appropriate Federal Data Integrity Boards. The agreements will contain the procedure to be used in requesting and providing information.

(b) These agreements will include, but need not be limited to, the following:

- (1) Purpose of the request;
- (2) Identification of all agency officials, by position with authority to request information;
- (3) Methods and timing of the requests for information, including the machine readable format to be used, the period of time needed to furnish the requested information and the basis for establishing this period. Agreements with the SWICA and the agency administering the Unemployment Compensation program in the State must provide that the State agency shall obtain information no less frequently than twice monthly;
- (4) The type of information and reporting periods for which information will be provided and the verification methodologies to be used;
- (5) Safeguards limiting release or redisclosure as required by Federal or State law or regulation, including the requirements of § 205.50 and as may be required by guidelines issued by the Secretary; and
- (6) Reimbursement, if any, for the costs of furnishing the information requested by the State agency, including new developmental costs associated with furnishing such information.

[51 FR 7216, Feb. 28, 1986, as amended at 57 FR 53860, Nov. 13, 1992]

§ 205.60 Reports and maintenance of records.

A State plan under title I, IV—A, X, XIV, or XVI (AABD) of the Social Security Act must provide that:

(a) The State agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan, including records

45 CFR Ch. II (10–1–03 Edition)

regarding applications, determination of eligibility, the provision of financial assistance, and the use of any information obtained under § 205.55, with respect to individual applications denied, recipients whose benefits have been terminated, recipients whose benefits have been modified, and the dollar value of these denials, terminations and modifications. Under this requirement, the agency will keep individual records which contain pertinent facts about each applicant and recipient. The records will include information concerning the date of application and the date and basis of its disposition; facts essential to the determination of initial and continuing eligibility (including the individual's social security number, need for, and provision of financial assistance); and the basis for discontinuing assistance.

(b) The agency shall report as the Secretary prescribes for the purpose of determining compliance with the requirements of §§ 205.55 and 205.56 and for evaluating the effectiveness of the Income and Eligibility Verification System.

[51 FR 7216, Feb. 28, 1986]

§ 205.70 Availability of agency program manuals.

State plan requirements. A State plan for financial assistance under title I, IV—A, IV—B, X, XIV, or XVI (AABD) of the Social Security Act must provide that:

(a) Program manuals and other policy issuances which affect the public, including the State agency's rules and regulations governing eligibility, need and amount of assistance, and recipient rights and responsibilities will be maintained in the State office and in each local and district office for examination on regular workdays during regular office hours by individuals, upon request for review, study, or reproduction by the individual.

(b)(1) A current copy of such material will be made available without charge or at a charge related to the cost of reproduction for access by the public through custodians who (i) request the material for this purpose, (ii) are centrally located and publicly accessible to a substantial number of the recipient population they serve, and (iii)